LIFE INSURANCE BENEFIT

PURPOSE: To provide life insurance for all full-time employees.

POLICY: The University provides group term-life, together with accidental death and dismemberment insurance, on a non-contributory basis.

DATE APPROVED: July 7, 1999
DATE REVIEWED: September 1, 2007

PRACTICES & PROCEDURES:

I. BENEFIT DESCRIPTION:
   A. A complete Summary Plan Description and Certificate of Coverage is available in the Human Resources Department and online at http://eraven.fpc.edu/s/dept/hr/index.htm.
   B. Amounts of coverage are determined as below:
      1. Executive employees shall receive three (3) times their Annual Earnings, rounded to the next higher multiple of $1,000, if not already a multiple of $1,000. The maximum amount is $500,000.
      2. Exempt employees shall receive two (2) times their Annual Earnings, rounded to the next higher multiple of $1,000, if not already a multiple of $1,000. The maximum amount is $225,000.
      3. Non-exempt employees shall receive one and a half (1.5) times their Annual Earnings, rounded to the next higher multiple of $1,000, if not already a multiple of $1,000. The maximum amount is $225,000.
   C. Accidental Death & Dismemberment
      The Accidental Death portion of this insurance plan extends the life insurance above to include coverage when the death of an employee is due to an accident. In the event that an employee is disabled due to dismemberment, the plan pays out a one time benefit to the employee. Dismemberment benefits are paid at 50% or 100% of $7,500, depending on the dismemberment.
      Loss: Percentage Payable:
      Life: 100%
      One hand, one foot or sight of one eye: 50%
      Two or more of the losses listed above: 100%

II. ELIGIBILITY:
   A. A full-time employee will become eligible on the first of the month following 30 calendar days of employment.
   B. Employees are granted this benefit, regardless of any medical condition(s) that might otherwise have prevented their insurability.

III. TERMINATION OF LIFE INSURANCE BENEFIT:
   A. Group term life and accidental death and dismemberment insurance shall
terminate on the last calendar day of the month during which termination or retirement took place. (See Policy: Termination of Employment, Section II.A.6.)

B. Terminated employees have the right to automatically transfer, up to their current face amount, their group-term life insurance policy to a form of life insurance directly with the carrier without having to show evidence of insurability in accordance with the plan description, and the carrier’s regulations and current premium rates.